

231875

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THOMAS F. MCFARLAND

February 17, 2012

By UPS overnight mail

Ms. Cynthia T. Brown, Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20024

RECEIVED
Office of Proceedings
FEB 21 2012
Dept. of
Public Records

Re: STB Finance Docket No. 35600, *Gregory B. Cundiff, Connie Cundiff, CGX, Inc
and Ironhorse Resources, Inc. -- Continuance in Control Exemption -- Santa
Teresa Southern Railroad, LLC*

Dear Ms. Brown:

Enclosed please find an original and 10 copies of Verified Notice of Exemption Under 49
C.F.R. § 1180.2(d)(2), for filing with the Board in the above referenced matter.

Also enclosed is a check in the amount of \$1,300 for the filing fee

Very truly yours,

Thomas F. McFarland

Thomas F. McFarland
Attorney for Applicants

T.M.F. mg enc d wps 06/10/12

FEE RECEIVED

FEB 21 2012

**SURFACE
TRANSPORTATION BOARD**

BEFORE THE
SURFACE TRANSPORTATION BOARD

GREGORY B. CUNDIFF, CONNIE)
CUNDIFF, CGX, INC., AND)
IRONHORSE RESOURCES, INC. --) FINANCE DOCKET
CONTINUANCE IN CONTROL) NO. 35600
EXEMPTION -- SANTA TERESA)
SOUTHERN RAILROAD, LLC)

VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1180.2(d)(2)

ENTERED
Office of Proceedings

FEB 21 2012

Part of
Public Record

GREGORY B. CUNDIFF
1247 Rutherford Ridge
O'Fallon, IL 62269

CONNIE CUNDIFF
1247 Rutherford Ridge
O'Fallon, IL 62269

CGX, INC.
P.O. Box 99
102 Willow Drive
O'Fallon, IL 62269

IRONHORSE RESOURCES, INC.
P.O. Box 99
102 Willow Drive
O'Fallon, IL 62269

Applicants

FEE RECEIVED

FEB 21 2012

**SURFACE
TRANSPORTATION BOARD**

THOMAS F. McFARLAND
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Attorney for Applicants

Date Filed: February 21, 2012

FILED
FEB 21 2012
**SURFACE
TRANSPORTATION BOARD**

BEFORE THE
SURFACE TRANSPORTATION BOARD

GREGORY B. CUNDIFF, CONNIE)	
CUNDIFF, CGX, INC., AND)	
IRONHORSE RESOURCES, INC. --)	FINANCE DOCKET
CONTINUANCE IN CONTROL)	NO. 35600
EXEMPTION -- SANTA TERESA)	
SOUTHERN RAILROAD, LLC)	

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1180.2(d)(2)**

Pursuant to 49 U.S.C. § 10502(a) and the class exemption at 49 C.F.R. § 1180.2(d)(2), GREGORY B. CUNDIFF (Mr. Cundiff), CONNIE CUNDIFF (Mrs. Cundiff), CGX, Inc. (CGX) and IRONHORSE RESOURCES, INC. (Ironhorse) hereby provide this verified notice of exemption from 49 U.S.C. § 11323 for their continuance in control of SANTA TERESA SOUTHERN RAILROAD, LLC (STSR) upon STSR becoming a rail carrier.

This Notice is related to the Notice of Exemption in Finance Docket No. 35599, *Santa Teresa Southern Railroad, LLC -- Operation Exemption -- Rail Line of Verde Logistics Railroad, LLC at Santa Teresa, Dona Ana County, NM*, in which Santa Teresa Southern Railroad, LLC proposes to operate over trackage owned by Verde Logistics Railroad, LLC at Santa Teresa, NM pursuant to an Operating Agreement.

INFORMATION REQUIRED BY 49 C.F.R. § 1180.6(a)(1)

(1) A description of the proposed transaction, including appropriate references to any supporting exhibits and statements contained in the application and discussing the following:

(i) A brief summary of the proposed transaction, the name of applicants, their business address, telephone number, and the name of the counsel to whom questions regarding the transaction can be addressed

The proposed transaction is continuance in control of STSR by Mr. and Mrs. Cundiff, CGX and Ironhorse upon STSR becoming a rail carrier. STSR has concurrently filed a notice of exemption under 49 C.F.R. § 1150.31 for STSR to operate approximately 12,000 feet of rail line between point of connection with Union Pacific Railroad Company (UP) at or near Milepost 1280 on UP's Lordsburg Subdivision and terminus at Strauss Road^{1/} at or near Santa Teresa, Dona Ana County, New Mexico. Finance Docket No. 35599, *Santa Teresa Southern Railroad, LLC -- Operation Exemption -- Rail Line of Verde Logistics Railroad, LLC at Santa Teresa, Dona Ana County, NM*. The parties intend to consummate that transaction no sooner than 30 days after filing that notice of exemption.

CGX is a noncarrier holding company. CGX owns Ironhorse, a noncarrier holding company. CGX is owned by Mr. and Mrs. Cundiff, noncarrier individuals.

CGX and Ironhorse own the following rail carriers, all of which are Class III rail carriers:

<u>Rail Carriers</u>	<u>Owner</u>	<u>Operates In:</u>
Crystal City Railroad, Inc.	CGX	Texas
Lone Star Railroad, Inc.	CGX	Texas
Rio Valley Railroad, Inc.	CGX	Texas
Mississippi Tennessee Holdings, LLC	CGX	Tennessee
Mississippi Tennessee Railroad, LLC	Ironhorse	Tennessee
Rio Valley Switching Company	Ironhorse	Texas
Southern Switching Company	Ironhorse	Texas
Gardendale Railroad, Inc.	Ironhorse	Texas
Santa Teresa Southern Railroad, LLC	Ironhorse	New Mexico

Applicants hereby certify that (1) the properties to be operated by STSR and the properties operated by the rail carriers listed above do not connect with each other; (2) the

^{1/} Strauss Road has been designed but not yet constructed at the time of filing of this Notice.

proposed continuance in control is not part of a series of anticipated transactions that would connect the carriers with each other or any railroad in their corporate family; and (3) the transaction does not involve a Class I carrier. Therefore, pursuant to 49 C.F.R. § 1180.2(d)(2), the proposed transaction is exempt from the prior approval requirements of 49 U.S.C. § 11323.

Applicants are Gregory B. Cundiff, 1247 Rutherford Ridge, O'Fallon, IL 62269, Connie Cundiff, 1247 Rutherford Ridge, O'Fallon, IL 62269, CGX, Inc., P.O. Box 99, 102 Willow Drive, O'Fallon, IL 62269 and Ironhorse Resources, Inc., P.O. Box 99, 102 Willow Drive, O'Fallon, IL 62269.

Applicants' counsel to whom questions may be addressed regarding the proposed transaction is Thomas F. McFarland, Thomas F. McFarland, P.C. 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, ph (312) 236-0204, fax (312) 201-9695, mcfarland@aol.com.

(ii) The proposed time schedule for consummation of the proposed transaction.

The proposed transaction is scheduled to be consummated no sooner than 30 days after the filing of this notice of exemption.

(iii) The purpose sought to be accomplished by the proposed transaction, e.g., operating economies, eliminating excess facilities, improving service, or improving the financial viability of the applicants.

The purpose sought to be accomplished by the proposed transaction is achievement of operating efficiency and economy.

(5) A list of the State(s) in which any part of the property of each applicant carrier is situated.

Applicants are not carriers. Applicants control carriers. The States in which each Class III rail carrier operates are shown in the listing of rail carriers on page 3, *supra*.

(6) Map (exhibit 1). Submit a general or key map indicating clearly, in separate colors or otherwise, the line(s) of applicant carriers in their true relations to each other, short line connections, other rail lines in the territory, and the principal geographic points in the region traversed. If a geographically limited transaction is proposed, a map detailing the transaction should also be included. In addition to the map accompanying each application, 20 unbound copies of the map shall be filed with the Board.

Attached to this Notice as Appendix 1 is a print showing the rail line to be operated by STSR. Attached to this Notice as Appendix 2 is a map showing Santa Teresa Logistics Industrial Park, in which STSR's rail line is located, and Union Pacific Railroad Company trackage in the area.

(7)(ii) Agreement (exhibit 2). Submit a copy of any contract or other written instrument entered into, or proposed to be entered into, pertaining to the proposed transaction. In addition, parties to exempt trackage rights agreements and renewal of agreements described at Sec. 1180.2(d)(7) must submit one copy of the executed agreement or renewal agreement with the notice of exemption, or within 10 days of the date that the agreement is executed, whichever is later

No written contract bears on the proposed transaction.

(g)(1)(i) Indicate the level of labor protection to be imposed.

Inasmuch as only Class III rail carriers are involved, no labor protective conditions are to be imposed. See 49 U.S.C. § 11326(c).

VERIFICATION

Attached to this notice as Appendix 3 is a verification of the statements made in this notice.

ENVIRONMENTAL AND HISTORIC CONSIDERATIONS

Pursuant to 49 C.F.R. § 1105.6(c)(2), no environmental documentation or report is required for the proposed transactions. Pursuant to 49 C.F.R. § 1105.8(b)(2), no historic documentation or report is required for the proposed transaction.

CAPTION SUMMARY

Attached to this notice as Appendix 4 is the required caption summary.

CONCLUSION

WHEREFORE, the Board should publish this notice of exemption in the *Federal Register* within 16 days of its filing.

Respectfully submitted,

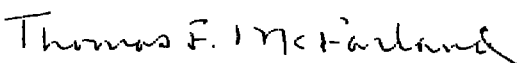
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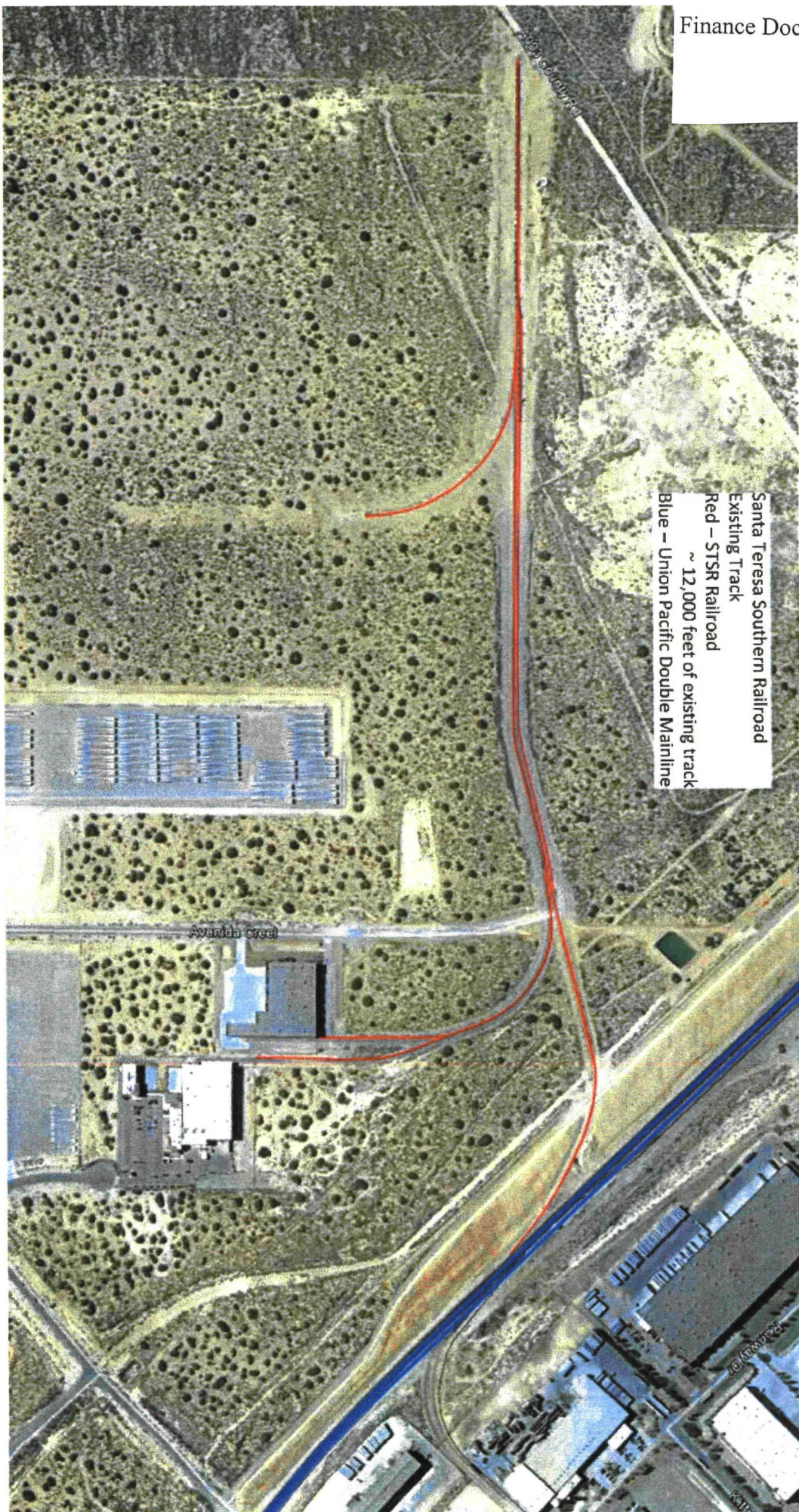
Applicants

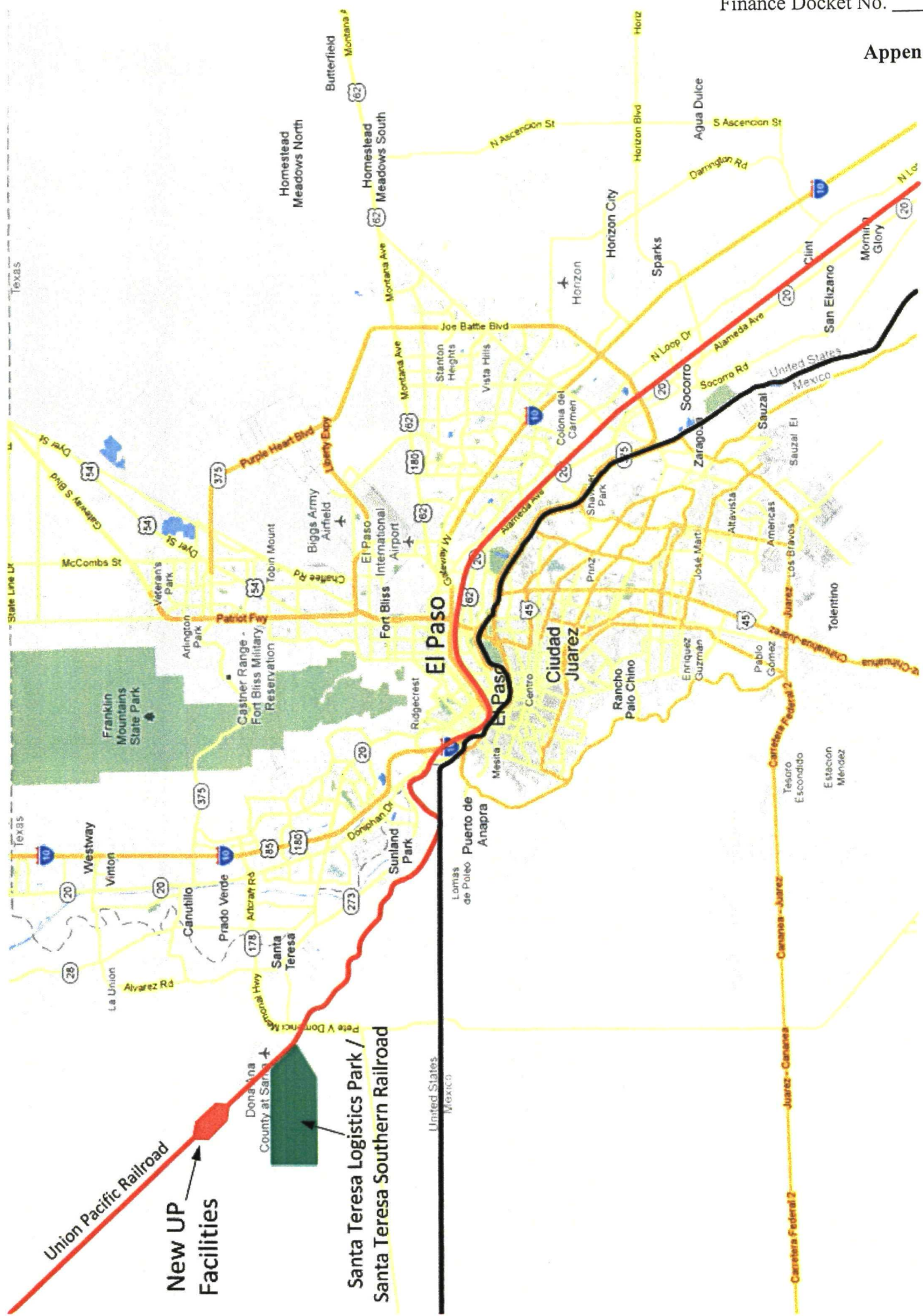

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mcfarland@aol.com

Attorney for Applicants

Date Filed: February 21, 2012

Appendix 1





Union Pacific Railroad
New UP
Facilities

Santa Teresa Logistics Park /
Santa Teresa Southern Railroad

Finance Docket No. 35600

Appendix 3

VERIFICATION

BARRY S. McCLURE, being duly sworn, states that he is Executive Vice President of Ironhorse Resources, Inc.; that he is familiar with the facts stated in the foregoing Notice of Exemption; and that all of such facts are true and correct.

Barry S. McClure
BARRY S. McCLURE

STATE OF ILLINOIS)
) SS:
COUNTY OF ST. CLAIR)

SUBSCRIBED AND SWORN to
before me this 16th day
of February, 2012.

Connie J. DeCoursey
Notary Public

My Commission Expires: 10 6 2012



CAPTION SUMMARY
SURFACE TRANSPORTATION BOARD
NOTICE OF EXEMPTION

(Finance Docket No. 35600)

GREGORY B. CUNDIFF, CONNIE CUNDIFF, CGX, INC.
AND IRONHORSE RESOURCES, INC. -- CONTINUANCE
IN CONTROL EXEMPTION -- SANTA TERESA SOUTHERN RAILROAD, LLC (STSR)

Gregory B. Cundiff (Mr. Cundiff), Connie Cundiff (Mrs. Cundiff), CGX, Inc. (CGX) and Ironhorse Resources, Inc. (Ironhorse) have filed a verified notice of exemption from 49 U.S.C. § 11323 for their continuance in control of STSR upon STSR becoming a rail carrier. STSR has concurrently filed a notice of exemption under 49 C.F.R. § 1150.31 for STSR's operation of approximately 12,000 feet of rail line extending between point of connection with Union Pacific Railroad Company (UP) at or near Milepost 1280 on UP's Lordsburg Subdivision and terminus at Strauss Road^{1/} at or near Santa Teresa, Dona Ana County, New Mexico. The parties intend to consummate that transaction no sooner than 30 days after filing of that notice of exemption.

STSR is owned by Ironhorse, a noncarrier holding company. Ironhorse is owned by CGX, a noncarrier holding company. CGX is owned by Mr. and Mrs. Cundiff, individuals who are noncarriers. CGX owns the following rail carriers: Crystal City Railroad, Inc.; Lone Star Railroad, Inc.; Rio Valley Railroad, Inc.; and Mississippi Tennessee Holdings, LLC. Ironhorse owns the following rail carriers: Rio Valley Switching Company; Southern Switching Company; Mississippi Tennessee Railroad, LLC; Gardendale Railroad, Inc. and Santa Teresa Southern Railroad, LLC.

The proposed continuance in control is exempt from the prior approval requirements of 49 U.S.C. § 11323 by virtue of 49 C.F.R. § 1180.2(d)(2) because Mr. & Mrs. Cundiff, CGX and Ironhorse have certified that (1) the properties operated by STSR and the rail carriers identified above do not connect with each other; (2) the continuance in control is not part of a series of anticipated transactions that would connect those carriers with each other or any railroad in their corporate family; and (3) the transaction does not involve a Class I carrier.

Petitions to revoke the exemption under 49 U.S.C. § 10502(d) can be filed at any time. The filing of a petition to revoke will not automatically stay the proposed transaction. If the notice of exemption contains false or misleading information the exemption is void *ab initio*. Any petitions to revoke filed with the Board must be served on Applicants' representative, Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, ph (312) 236-0204, fax (312) 201-9695, mcfarland@aol.com.

(SEAL)

By the Board

^{1/} Strauss Road has been designed but not yet constructed at the time of filing of this Notice.